Proposed Beaufort Sea Oil and Gas Lease (Sale 97)

Public Hearings

Wainwright

1986

CLIENT'S COPY

TRANSCRIPT OF PROCEEDINGS

DRAFT ENVIRONMENTAL IMPACT STATEMENT

FOR

THE PROPOSED OIL AND GAS LEASE SALE 97

IN THE BEAUFORT SEA

WAINWRIGHT, ALASKA

DECEMBER 09, 1986

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PROCEEDINGS

WAINWRIGHT, ALASKA

DECEMBER 9, 1986

MR. BROCK: I'm very pleased to be

here tonight. You've already met the other two members of the panel.

My name is Bob Brock and I'm the Regional Supervisor for the Leasing and Environment Office of the Alaska OCS Region of the Minerals Management Service and I'm the designated chair for this hearing. I have few comments that I have to go through to make this a formal public hearing so bear with me and we'll try to cover those as quickly as we can.

This is the second of five public hearings that will be held on this proposal. There was one held in Barrow last night, we will to go Kaktovik tomorrow, Nuiqsut, and then finish up with one in Anchorage next week.

The purpose of this hearing is to receive the views, comments and suggestions of interested individuals and representatives of local government and organizations on the Draft Environmental Impact Statement. These hearings are also being held for the purpose of receiving comments and suggestions about subsistence per Section 810 of the Alaska National Interest Lands Conservation Act.

If any of you have any questions and would like a question and answer period after the public hearing, we will be glad to

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close the official record and answer any questions that you might have. But the public hearing is your chance to make comments without being questioned or anything else. It's your chance to make comments on our Environmental Impact Statement.

Before we start the hearing, I'd like to give you a little background about the leasing proposal we are studying and about the process we are following to make decisions about that proposal.

Federal oil and gas leasing in the Beaufort Sea began with the joint state and federal BF Sale in December, 1979. Since then, we've had two other Beaufort Lease Sales, Sale 71 in October of 1982 and Sale 87 in August, 1984. As a result of these sales, approximately two million acres have been leased and you can see those shaded-in portions on our map. This represents only about 4% of the total area in this entire planning unit, which is outlined.

And you might notice that Wainwright is not in the sale area itself, or not joining it. It's actually a little way to the south. Leroy, would you point to where Wainwright is there? This area that we're talking about is to the north of that, but since you are concerned with such things as the bowhead whale and it does go through the sale area, we felt it important to come in and make sure that you had a chance to testify at this hearing.

To date, 28 environmental studies and 25 social and economic studies exclusive to the Beaufort Sea Planning Area, have been conducted through Minerals Management contracts. In addition, MMS has contracted for another 152 environmental and social and

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economic studies that are applicable to the Beaufort Sea Planning Area as well as other offshore areas off of Alaska.

This Draft EIS covers approximately 21 million acres, this area going up to the corner, down and back over. It does not include this area here. The total area on the map inside of that is some 49 million acres, but this particular EIS covers this near shore and the blue and red area over on that other side.

As a result of further consideration between now and the lease sale itself, the size of this area can only be reduced. cannot be expanded at all.

MMS estimates that there is a 69% chance of recoverable oil and gas being present in the area covered by this EIS.

Our major goal is to find out more precisely what our domestic energy supplies are, where they are located, how much they will cost to produce, and then allow them to be produced where it is possible to do so in an environmentally safe manner.

In addition to reducing reliance on uncertain foreign supplies with obvious national security implications, domestic production reduces the exporting of dollars and jobs. accrue directly to local individuals and also to state and local governments. This is because the leasing program generates hundreds of millions of dollars of revenue each year and when discoveries are made, more millions are generated through royalties on production and corporate taxes. These monies are deposited in the federal treasury and help support all appropriated programs.

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Thus, a large proportion of the money returns to individuals in one form or another, or it is passed directly to state and local governments as congress sees fit.

The Draft Environmental Impact Statement pulls together almost two years of preparation which included such actions as a call for information, scoping, and we were here last year for the scoping process, area identification and so forth.

Adding to this, MMS has in place a host of regulations and operating rules that are designed to make offshore operations clean and safe.

To begin with, a large number of federal laws control offshore operations. Some examples include the OCS Lands Act, the National Environmental Policy Act, the Endangered Species Act, the Marine Mammal Protection Act and the Coastal Zone Management Act.

If a sale is held and leases are awarded, lessees cannot just start drilling. There are many federal and state requirements in place to ensure that exploration, drilling and production proceed in an environmentally safe and acceptable manner.

First, before exploration can begin, Lessees have to prepare exploration plans. Lessees must prepare large numbers of these plans for very broad distribution and review before approval of the federal government. But even our approval is not the final word. The State's Coastal Zone Consistency Certification is also necessary.

Next, a drilling permit is required. Once drilling is

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underway, an MMS inspector will be either on the rig or will be nearby at all times.

Then, if a discovery is made, the planning and approval process starts all over again and we must prepare another environmental analysis before development and production can take place.

The federal government has numerous requirements to ensure drilling and well safety. For example:

- We require emergency plans in the event of blowouts; 1)
- We require that companies use experienced and trained 2) drilling crews and that drillers attend certified schools to keep up-to-date on well control methods;
- 3) Oil spill control and cleanup equipment must be in
- place and we require training and drills on its use for everyone.

The list goes on and on.

To further reduce potential risks, many additional mitigating measures are proposed in the EIS and if adopted will become part of the lessees' official lease. For example:

- The requirement to establish a training program which must be attended at least once a year by all on-site workers. One of the purposes of this program is to educate oil and gas workers about subsistance practices and their importance.
- 2) A seasonal drilling restriction would be in place to

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protect the bowhead whale.

- 3) A requirement for additional biological surveys if it turns out that they are needed.
- A s'tipulation to control the design and use of pipelines.
- 5) An alert to lessees that their activities will be subject to the policies of the State Coastal Management Program as modified by District Programs.
- 6) Information to lessees about the location of areas of special biological and cultural sensitivity.

These are just a few of the potential mitigating measures.

The EIS is a very important element in this decision process. The OCS Lands Act requires that the Secretary of the Interior balance the decision about national public policy goals. These decisions sometimes compete with each other. The Secretary must also balance the decisions between the national interests and the well-being of the citizens of the local areas. Needless to say, this is often a difficult and conflicting task.

Now, I'm sure you've heard enough from me so we will get right in to the hearing. When you speak, if you could, either come over to this chair because we have to get it on the recorder, and I believe we can pick it up from the front of the room, talking this way. If we don't, we will ask you to come over to this chair because we want to be sure we get everything on tape.

We have a few rules that I would like you to follow to

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make sure that the hearing runs smoothly and is properly recorded:

- 1) First, when you speak, state your name, address, occupation, and the organization or agency, if there is one, that you represent. We need to have this information recorded in the transcript.
- 2) Please try to keep your comments to about ten minutes.
- If you have copies of your prepared testimony, please 3) give a copy of the testimony to the Court Reporter over here on the right.
- 4) If you wish to submit additional written testimony besides what you speak, give this material to the Court Reporter also and it will then be entered into the hearing record.

The official Court Reporter will make a verbatim transcript of the hearing. Everything that is spoken while the hearing is in session will be recorded.

Copies of the transcript are available through Accu-Type Depositions, Anchorage, Alaska. The telephone number 276-0544. They are not available through the Minerals Management Service. Ιf you would like a copy, you can make the necessary arrangements tonight with Angie Hecker tonight, the Reporter there, and she will be glad to work out how for you to get a copy.

This is not an adversary proceeding. No one will be Presentations should be relevant and supported placed under oath. by pertinent data. Speakers will not be questioned unless a member

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of the panel wishes to have some facts clarified or to obtain additional information. We are most interested in understanding the views of all interested parties about the Draft Environmental Impact Statement for this sale area, Sale 97 in the Beaufort Sea.

To help in the process, we have asked that a translator be present to provide an English translation of your comments to those of you who wish to speak Inupiat.

The comment period for this EIS closes on January 6, 1987. Until that time, MMS will also accept written comments and statements from anyone who would prefer to make written rather than oral comments, from anyone wishing to supplement their oral comments, or from anybody who is unable to attend the hearing. These written comments should be addressed to the Regional Director, Minerals Management Service, 949 East 36th Avenue, Room 110, Anchorage, Alaska, 99508, Attention: Dick Roberts. That address and information is in this folder if anyone would care to pick one up.

Remember, the comment period closes January 6, 1987. All written comments received prior to that date, January 6, 1987, will be included as a part of the hearing record.

Now, since we didn't have a signup sheet, I will recognize anybody that would like to make a statement for this purpose. Is there anybody that would like to testify on this proposal?

(TRANSLATION BY MS. PANIGEO)

MR. BROCK: Thank you. Is there

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great.

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anybody who would like to testify or make any kind of comments on our EIS or the possibility of this sale?

DAVID KAGAK: (SPEAKS IN INUPIAT)

MS. PANIGEO: This is David Kagak.

MR. BROCK: How do you spell that

last name?

MS. PANIGEO: K-A-G-A-K, and he --

DAVID KAGAK: I'm asking that the

Council give their testimony first.

MS. PANIGEO: He is asking that

the Council members speak up first.

MR. BROCK: Okay.

MAYOR KAGAK: Does anybody in the

Council volunteer start? I think (INDISCERNIBLE).

COURT REPORTER: I'm afraid the

microphone isn't picking you up clear over there very clearly.

Would it be possible for you to stand here? It won't reach clear

over there. Would it be possible to turn that fan off? That's

MAYOR KAGAK: I'm just going to start what I was going to say a little while ago. This public hearing sort of surprised me because there was no prior notification to the city office that this public hearing was coming to Wainwright.

I think it caught the whole Council here by surprise too

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because after we made the agenda, the following day, a couple of days later, I noticed the public hearing notice was posted in our village. I didn't even have a chance to go over that big -- this one (INDICATING DEIS).

I'm kind of sorry, David, because I don't know where to start on this one, but it will take me maybe a couple of weeks, before January 6th, to submit my comments on behalf of the Wainwright City Council.

You know, all along, we had public hearings on the environmental impact statements taken from the villagers. All these years we've given our local concerns to the federal government, Department of Interior. I don't know if we're getting better at giving testimony to the federal government about our local way of living, how we use the land and the water and the air.

I think I'm beginning to realize the exploration, the oil exploration, is starting to come on this way while at the same time, the land exploration is going this way. I hate to see the effect of the impact that it will have on the whaling villages, but then yet, looking today, if there is some maximum output taken from the local people up here in the Arctic region, I think we can grow with the exploration to a certain extent, if the input from our village people, especially the elders, are taken seriously.

I appreciate you federal government coming to our village, but yet the next time I think I would insist that there be at least a month notification to have another public hearing like this, to

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4 this office. I don't know how this was set up because my staff and I tried to recollect if we had had any notification of this public hearing. Somewhere in the process this office was left off for setting up this public hearing tonight.

I think another thing, you know, this office gets these books, these thick books we get. It's nice for one person to get them, but then one person is one person and that can miss a lot of information that needs to be transmitted to you. I wish I can make a hundred copies and distribute them to my people here in the village so we would have a chance to really go over them page by page because I know this meeting or this hearing is out of that book.

If there is some highlighted form or a small booklet that the department can provide to the villages before the meetings, maybe we can have a public meeting before we have a public hearing with you so that way, in our village, especially because we are a whaling village, we subsist on the whale, the sea, that's very important that we want to pass on to our later generations.

And you know, even the Borough did submit comments on this public hearing. It's only a few pages. So, I guess, in a way they were caught unaware too, or is that vice versa?

MR. SAVOK: I think there was adequate time to review the EIS. Those comments are not in detail for all the comments that will be made to MMS. The Borough, because of its size, the organization itself, has several technical

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people in there that will make more comments pertinent to that EIS to MMS. Those are just the general comments on the main concerns that the North Slope Borough had.

MAYOR KAGAK: Thank you, James.

Another thing, I know you said that you like to have people testify, especially in the small villages like this. Like, for instance, me, I don't make any prepared statements, neither do my people.

I'm kind of baffled in this. I want to say something to that. Maybe I answered my own question a little while ago. When we know you are coming to have a hearing in Wainwright, you notify us at least thirty days ahead, this office, this City office, so that the people will have a chance here to get their comments together and then we just submit them to you.

Another thing that just came to mind is if it's allowable to have a planning department spearhead these public hearings, like maybe right here, we understand right away what it's all about. Like, we've got a Fish & Wildlife Game Management Board within the Borough. Maybe if you guys worked together with them and then our own board here, for instance, takes the input, the EIS statements, and that would work a lot more effective.

Now, you're in school. (LAUGHTER) Anyway, like I said, we were kind of caught off guard. David, like I said, I'm sorry, but somewhere along the line communications weren't complete.

Thank you.

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MR. BROCK: I would like to

apologize for that. We did work through the Borough and we would have been glad to send somebody out if that would have helped. We didn't think of that, the Borough didn't ask it, and I'm sorry. We had never been requested for that so I can't do any more than say that we've learned by that and we will try... You know, the comment period on this doesn't close until January 6th and we will try any way we can to help you there.

But we can't reschedule it because it's just a matter of a legal thing that we can't reschedule the coming out here. But we will be glad to take any additional information you would like to give us and we do apologize that you didn't get the word. We will probably in the future make that contact personally ourselves too just to make sure that you know.

MAYOR KAGAK: Thank you.

MR. BROCK: Thank you. Written

testimony is every bit as good as oral testimony. It goes into the public record and it's reviewed and answered just like the oral testimony is.

DAVID KAGAK: How soon the answer

will be sent back?

MR. BROCK: How soon what?

DAVID KAGAK: How soon the answer

will be sent back to the people who make the testimony?

MR. BROCK: It's in the final

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book?

impact statement. In other words, the process is that a Draft Environmental Impact Statement is written, we hold a public hearing, we answer all of the comments, literally, one by one, or every concern that's brought up, in the final impact statement and everybody that --

DAVID KAGAK: There's only one

MR. BROCK: No. Well, it's in one book, but we print 2,500 of them so it's... And we would have been glad to give you more copies. I don't know how many came up right off the top of my head. Three? We would have been glad to furnish more copies if we'd known that you wanted more copies and we would do the same --

DAVID KAGAK: Three copies is not enough for the whole village like this, for five hundred people. It cannot go around to each individual house to be read, you know. It's pretty hard.

MR. BROCK: Right. We would be glad to furnish more if we were asked for more. But we can't send one to everybody in the state because everybody in the state wouldn't read it. So, all we do is put out a sampling and as soon as people ask for them we send more. Yes, sir?

UNIDENTIFIED VOICE: Did you say that a tape recording is also legal for testimony? A tape-recorded testimony, would you accept that?

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MR. BROCK: I've never been asked that question before. I would prefer it in writing, but I quess that if we got it in a tape recording we would have it transcribed. I've never been asked that before, but I don't see any reason why we wouldn't.

We would have to have it transcribed, therefore, I would prefer to have it in writing. But we certainly wouldn't throw it We would transcribe it if you give it to us in English. If you give to us in Inupiat, we can't transcribe it, but we would be glad to transcribe it as long as it gets in before the 6th.

> UNIDENTIFIED VOICE: Thank you. MR. BROCK: You bet. We'll work

very hard at getting any input we can from you to make sure that we cover your concerns.

> MS. BODFISH: What do you need,

our names first?

thank you.

MR. BROCK: Please. That way we

will make sure we get the right name.

MS. BODFISH: Okay, I'm Alma

Bodfish. Do want me to spell it?

> MR. BROCK: We've got it there,

MS. BODFISH:

If you're going to

have drillings and seismic wells at Barrow and Kaktovik, I think

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that's going to affect the whole North Slope. It affects the bowhead, the sound effects of the oil rigs, and everyone is concerned about oil spills. That's all I have.

MR. BROCK: I might add, just as a point, that we held a hearing last night in Barrow and I don't have a summary right handy, but we heard from, I believe it was six members of the Borough's Wildlife Department staff on their concerns on the EIS and various other people. We had thirteen people testify from, I believe, the planning department. You're from the planning department?

MR. SAVOK: There were some from the Planning Department and Wildlife Management made general comments.

MR. BROCK: Right, and a couple of whaling captains, over the concerns, and, like I say, thirteen people testified and we went on for three and a half hours. So, it was very good testimony.

MS. AGNASAGGA: May I be recognized? My name is Lydia Agnasagga and this is how you spell my last name. Spare me to spell my last name, it's too long.

I just want to comment that I forgot all about the hearing yesterday at Barrow and I kept listening on the radio and I completely forgot after we had meetings at the church yesterday and I'd been wanting to hear what their testimonies would be and I'm not sure if they had it on the air or not yesterday in town.

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MR. BROCK: I heard it tonight

over television.

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MS. AGNASAGGA: Our mayor has

stated that we could have been more prepared for this public meeting tonight, but we weren't aware of it. I thought that the City had those things publicized in the public places, but it was in the City then, I found out just tonight.

My only comment is that we do live on subsistence and it's very important for us to continually live substistencely and it's a way a way of survival. That's my only concern. Thank you.

> MR. BROCK: Thank you.

MS. ANGASSAGGA:

I think everyone here should at least say something, at least a few Just because we are here, councilmen, I mean, we can't talk I think it's open for everyone here in the village in

And to add to it.

this place for anyone to speak up.

MR. BROCK: Yes, sir?

MR. PANIK: David Panik,

P-A-N-I-K.

in public.

MR. BROCK: Would you please come

over here, sir, so we can be sure and get you on the microphone?

MR. PANIK: I use my own

language. (SPEAKS IN INUPIAT)

> MS. PANIGEO: I have a question

for you, just how the oil rig will be set up down in the ocean,

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down in the Beaufort Sea, just how the rig, the drilling rig, will be set up.

Is it going to be set up down on the floor of the ocean or is it going to be on top of the water, the platform for the rig? This was my first question.

MR. BROCK: I'm not sure what the water depth is out here, but I believe that the water --

MR. STRINGFELLOW: No, he said the

Beaufort Sea.

MR. BROCK: Oh, in the Beaufort? Well, close to shore they usually build a gravel island and put the rig on top of the gravel island. Further offshore, in the deeper water, they go to what they call a drill ship or some kind of another rig. They built one rig up there that's kind of a cement, and maybe you can explain this better than I can, but a cement rig that actually sets on the bottom of the floor of the ocean up to about what, fifty feet?

MR. STRINGFELLOW: Sixty to eighty

feet, I think.

MR. BROCK: And if it's in deeper water than that, then they use a drill ship that's sitting on top of the water.

(TRANSLATION BY MS. PANIGEO)

MR. PANIK: (SPEAKS IN INUPIAT)
TRANSLATION BY MS. PANIGEO: I

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have another question. This other question is about the walrus. It's not about the walrus itself, but it is about the clams that the walrus eat from the floor of the ocean. Have you ever made any locations, any findings on exactly where you can find the clams that the walrus eat because we eat the walrus and the walrus eats the clams. Have you ever found out the direct location where the clams can be found on the ocean floor?

MR. SCHINDLER: There has been a

study on clams.

MR. BROCK: Yes, there has been a study on clams and it is in the environmental statement.

(TRANSLATION BY MS. PANIGEO)

MR. PANIK: (SPEAKS IN INUPIAT)

TRANSLATION BY MS. PANIGEO: And

about the whale, the plankton and anything else that the whales eat, have you ever found out exactly how they shift around in the water? This food, this thing that the whale eats, whatever it is, plankton, whatever the whale eats, have you ever found out exactly whereabout in the ocean they can be located and where they go? Because we have noticed that the whale follows all this whether it be right close to the shore or whether it be anywhere else in the ocean, just so the whale can be found where all their food is.

MR. BROCK: We have studied that and we are continuing to study both the locations and the feeding habits of the whale.

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(TRANSLATION BY MS. PANIGEO)

MR. PANIK: I also agree with what Jacob said. If they come through the North Slope like this, we that are inside the North Slope should be notified a month before. I agree with Jacob.

MR. BROCK: Any other comments on the subsistence or concerns or...

MR. BROWER: Good evening. My name is Charlie Brower and I work for the Department of Wildlife Management.

Yesterday, I made a comment on the pipeline that might be built if they find oil offshore and the way I read into these books, it's going to 120 miles north of Point Belcher. If they find oil, they're going to go in that area and make a pipeline on the southern part of NPRA 4 to Pump Station 3 right across the whole thing. That's about 120 miles, 140 kilometers, the way I read it.

After that, they'll build a pipeline if they find oil or gas on NPR 4, but if they don't find oil there, they'll transfer the oil in the platforms to tankers, which will bother the whaling season, the whale hunt, and the way the tankers will be going into the open leads and the whales will be affected by the noise, the crunching of the ice, they'll try to break through the ice, and traveling in the shorefast ice that's open.

The more I read into this book, the more I find out about

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these things. I don't think it's very effective to have a tanker out there while they're out there whaling and stuff like that.

That's the only reason I find so far that's going to transfer the oil if they find oil offshore if they don't build that pipeline across the NPRA 4.

And the other thing is, you must take subsistence impact into account because of 810 of ANILCA which is supposed to protect subsistence. If bowhead, in their migrating or feeding habitats are negatively impacted, the National Whaling Commission is likely to stop the subsistence harvest of whales and ANILCA.

Yesterday I didn't even get to see the letter on Section 8 of ANILCA and it's required that the feds do the following action: 1) declare action to be found in national interest, 2) minimize amount of land to achieve the action, 3) adopt sufficient minimization to minimize the impact on subsistence. And that's wanting to take our subsistence rights on 810 ANILCA and I haven't quite figured out -- I mean, I've read a little bit of ANILCA in 810 and it's quite true that they need to realize that subsistence is the life of our area here and that's what I wanted to bring out, sir.

MR. BROCK: All right. I wanted to clarify one point and that's that as far as the pipeline is concerned that you're talking about, that is what we think might happen. But until the company actually finds oil or whatever, then they will then make the determination of where the pipeline would

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go. We think that it would probably go across that area, but, you know, it depends on were the strike is.

MR. BROWER: It depends. If they

find oil offshore they might not even make a pipeline across?

MR. BROCK: They might make it

somewhere else other than where we laid it out, but before a pipeline would be approved, it would go through the same environmental process, just for that pipeline, as we go through on a lot of other things. There would be another environmental analysis done.

So, this is not the environmental analysis for that pipeline. This is just one way that it should be transported. Just so that you understand that there's another clock to go through on that sort of process.

MR. BROWER: I'll keep reading to

find out some more details.

MR. BROCK: Okay.

MR. SAVOK: My name is James

Savok. I think that it would probably be a little bit more helpful if I try and air out at least the four major points of the North Slope Borough's comments to the EIS at the last night's public hearing.

The North Slope Borough took a position that it would not oppose all of the Sale 97 area. That includes the Chukchi Sea to the west and the Beaufort Sea to the right. But the position that

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the North Slope Borough is taking, though, is that in this EIS there is a provision, Alternative IV, which is the Barrow Deferral Area.

The North Slope Borough took a position to defer that area for a minimum of five years and probably for a longer period of time because that area only contains a small open lead for the whales to migrate through there during their spring migration. The chances for impacting the whale migration is great.

DAVID KAGAK: I've got one

question for you. Is that area outside of Barrow?

MR. SAVOK: Yes, Barrow is right

here.

DAVID KAGAK: Yes. Is that

between Wainwright and Barrow?

MR. SAVOK: Partially.

MR. BROCK: Yes. Wainwright is

right here and Barrow is right here.

DAVID KAGAK: Okay.

MR. SAVOK: That only deals with

that lease area that's covered in this EIS.

The North Slope Borough also took the position to Alternative V, which is the Kaktovik Deferral Area, that they would like to see that area deferred until the current studies that are being made on the habitat or the feeding areas of the bowhead whale within that area. And the alternative that the North Slope Borough

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is offering MMS is that they would combine those two deferral areas into all of the lease sale area and that we would like those two areas deferred for the periods of time that I had just mentioned pased on the needs of the bowhead whale.

The Chukchi Sea area, the North Slope Borough is not opposed to any leasing in that area at this time. However, the North Slope Borough feels that more studies need to be made on waters in that area to study the marine life, to study the food sources to the marine life, because we know that that area also contains subsistence resources that we're dependent on. That includes polar bear, walrus, whale, fish, plants, all of these kinds of resources, studies that need to be made.

So, those are the four areas that I wanted to point out here that would help, maybe, with more discussions from you folks because I think there needs to be a lot of interplay amongst all you whalers, subsistence hunters for walrus, oogrook, everything else that you have up here. So, I think it's very important that you confront -- and I'm asking you to let them know what some of your concerns are here. Thank you.

MAYOR KAGAK: When was that map

made?

MR. BROCK: When was it made?

MAYOR KAGAK: Yes.

MR. BROCK: It's a little over a

year old. About a year ago. You mean this orange area? We put it

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on, I would guess, what, about six months ago.

DAVID KAGAK: Do you visit only

Barrow area for that purpose here?

MR. BROCK: No, we did scoping

here. We were here, what, a little less than a year ago, I believe. I can't remember. I'd have to go back and look at the dates. We've been here twice on scoping, once for this proposed sale and once for the sale that would be done on the next side, which we're doing an EIS right now for. And then we came back again and did a joint scoping effort to find out what the concerns were throughout this whole area, on both sales. And that was the one when we were here, I think it was last March, I'm not sure of the date. April?

MR. ROBERTS: April 12th through

15th.

MR. BROCK: All right, April 12th

through 15th of 1986.

MR. ROBERTS: '85.

MR. BROCK: Okay, 1985, a little

over a year ago.

DAVID KAGAK: (SPEAKS IN INUPTIAT)

TRANSLATION BY MS. PANIGEO: My

name is David Kagak and I live here in Wainwright and I have a question.

He wants to know how big the size is in that orange shaded

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area. 2 DAVID KAGAK: What acreage are you 3 talking about in the blue one there? 4 MS. PANIGEO: The blue one? 5 DAVID KAGAK: Yes. 6 MR. BROCK: Well, just to give you 7 -- and you probably can't see it from there, but this area right here is what we call a block. It's three miles on a side. q other words, from here to here is three miles so just in this pink 10 area you've got one, two, three, four, five, six, seven, about 11 eight blocks this way and then --12 MS. PANIGEO: It was my mistake. 13 He wanted --14 MR. BROCK: 24 miles, and then 15 this way, one, two, three, four, five, six, seven, eight, nine, 16 ten, eleven, twelve, thirteen, fourteen, there's fifteen blocks 17 across here. 18 MS. PANIGEO: It was my mistake, 19 He wanted to know the blue area. Mr. Brock. 20 MR. BROCK: Well, I was just 21 trying to give him an idea of what the... 22 MS. PANIGEO: A block is three 23 miles? 24 MR. BROCK: That's right, a block 25 is three miles. This distance from here to here, what's three

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times 23? It's 69 miles across here and a little more than that from here. I don't have the number off the top of my head of how many acres are there, but we're talking about each block, each three mile by three miles block, has a little over 5,000 acres in it. So, we're talking about millions of acres in this blue area.

In this area here, we're talking about, I believe, 21 million. In this total area inside these lines are 49 million acres. I don't have the figure for this of the top of my head, but I would guess it would be --

MR. BROWER: Yesterday we figured out 121 miles by 75 miles for the blue section.

MR. SCHINDLER: Yes, that sounds

close, Charlie.

MR. BROCK: It's probably a little over three million acres, I would guess, is what my estimate would be. I don't have that figure off the top of my head, but it's somewhere in that vicinity.

MR. SCHINDLER: Can you translate

that, Mabel?

(TRANSLATION BY MS. PANIGEO)

DAVID KAGAK: (SPEAKS IN INUPIAT)

TRANSLATION BY MS. PANIGEO: If

there is a lease sale, he would also like to find out who gets the money from the lease, where the money goes.

MR. BROCK: As we pointed out in

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our talk, the opening part, the money goes directly into the federal treasury and Congress re-appropriates that. Now, there is a small amount, this area about 3 miles wide here, 27% of the money that comes from the lease there goes directly to the State. But you might as well say that most of the money goes directly into the federal treasury and congress re-appropriates it for whatever need that they see fit.

(TRANSLATION BY MS. PANIGEO)

DAVID KAGAK: (SPEAKS IN INUPIAT)

TRANSLATION BY MS. PANIGEO: And

should the drilling take place out there in the sea, and if there is a blowout in one of the rigs, how are you going to clean it up right in the middle of winter?

MR. BROCK: One, it would depend on when they drill. I don't know whether this area is set up for a summer drilling or a winter drilling. Do you know, Leroy, right off the top of your head, whether this would be summer?

MR. STRINGFELLOW: If it's mostly deep water, I think it would be mostly summer drilling.

MR. BROCK: If it's the deeper water, it's summer drilling. They haven't been drilling those in the wintertime so a winter oil spill wouldn't happen if they drill in the summertime. If they drill in the wintertime, if it's in shallow water they would use some kind of a bottom founded structure which would not allow oil to spill into the ice. In

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other words, it's a gravel island or something of that type. Does that help?

(TRANSLATION BY MS. PANIGEO)

MS. PANIGEO: What was that you

mentioned about not getting under the ice?

MR. BROCK: If they use an island or something like that, it would be bottom founded and if there was an oil spill, it wouldn't be under the ice. In other words, it would be a gravel island, it would be just dirt right to the surface, is what I was trying to say.

(TRANSLATION BY MS. PANIGEO)

MR. BROCK: Now, we will take these concerns and questions you have brought up and they will be answered in the EIS and there will be a more thorough answer than what I am giving you off the top of my head. We are using these comments as comments for the EIS.

(TRANSLATION BY MS. PANIGEO)

DAVID PAGAK: (SPEAKS IN INUPIAT)

TRANSLATION BY MS. PANIGEO: About

the noise vibrations from an oil rig, whether on top of the water or from a ship. Have you found out the noise vibrations, how far they go on the water? Have you found that out?

MR. BROCK: That's covered in the

EIS. I don't know what those figures are off the top of my head, but it's in the EIS.

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1 MR. SCHINDLER: We have ongoing 2 studies. 3 MR. BROCK: And we have ongoing 4 studies on that also. 5 (TRANSLATION BY MS. PANIGEO) 6 DAVID PAGAK: (SPEAKS IN INUPIAT) 7 TRANSLATION BY MS. PANIGEO: 8 was even anxious to ask this question. One winter in 1956 or 1957, one of the two, there was an icebreaker out in the sea and during 10 that time Wainwright did not sight any whales whatsoever because of 11 that icebreaker that was out on the sea. 12 MR. SCHINDLER: What time of year 13 was it, Mabel? 14 I think it was 1956 DAVID KAGAK: 15 or '57. 16 MS. PANIGEO: Early spring, during 17 the spring whaling. 18 DAVID KAGAK: (SPEAKS IN INUPIAT) 19 TRANSLATION BY MS. PANIGEO: A11 20 during the spring whaling, none of them sighted any whales. 21 he hs personally experienced, he is giving as a testimony. 22 not hearsay. 23 MR. BROCK: That's good. Thank 24 you. 25 DAVID KAGAK: (SPEAKS IN INUPIAT)

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1 TRANSLATION BY MS. PANIGEO: 2 If and when there is drilling and an oil company last question. 3 that decides if and when to drill oil anywhere south of Wainwright, 4 David's concern is that the people of Wainwright be notified of any 5 kind of activity before it actually happens, any kind of drilling, 6 any kind of resource going on. 7 MR. BROCK: We will. 8 DAVID KAGAK: Okay, that's my 9 testimony so I'm going to... I just happen to have got this 10 testimony from Barrow and I would pass this letter here to the 11 OCS. This testimony was given by Nalikak and I would like to back 12 this up, this letter dated December 8, 1986. 13 MR. BROCK: Okay. Do you want to 14 give that to us? 15 MR. SCHINDLER: That's the 16 testimony that we got yesterday. We have it on tape. 17 DAVID KAGAK: This testimony was 18 written so --19 MS. PANIGEO: It's that guy, Ron 20 Nalikak, from the Alaska Eskimo Whaling Commission. 21 MR. BROCK: Thank you, sir. 22 will be in there. 23 MS. PANIGEO: It will clarify what 24 he said and he wants to back him up. 25

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MR. BROCK:

Thank you.

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DAVID PAGAK: That's all I have.

MR. BROCK: Thank you. Any other

comments about our impact statement? If not, we'll be glad to

close our hearing and get out of your hair and go on our way.

UNIDENTIFIED VOICE: Will you

answer questions after the hearing?

MR. BROCK: Yes. The fact is, if we don't have any other comments, we'll go off the record and try to answer some questions if you have any. Yes, sir?

MR. PATKOTAK: My name is Billy Patkotak and I've been working at the DEW Line for a long time.

MR. BROCK: Will you spell your

name, please?

MR. PATKOTAK: P-A-T-K-O-T-A-K.

My concern is that blue area on the map there. The waters west of Point Barrow, are you aware of the much stronger prevailing currents than that east of Barrow?

Now, if a substantial amount of oil is discovered in that area, how would it be recovered? Would it be recovered by tanker or by platforms?

MR. BROCK: I'd have to check the EIS. I don't know right off the top of my head what our assumption was.

MR. PATKOTAK: I'll keep going ahead and that way you can answer me after the hearing. I am

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deferral.

concerned about that blue area up there knowing that it is the migration route of the marine mammals that we have here in the Arctic. My concern is that anything, like, supposing you have a platform out there in the ocean somewhere, I would like to know if that were to take place, all the mammals, not only in that area would be affected.

In that area there is a migration route of marine mammals. All the villages east of that area, I am sure that they would suffer. Supposing that the oil spill happened and then it would just get out of hand and that is my main concern.

Since it is my main concern, I'm in favor of a deferment of exploration until the water east of Barrow is explored or that the platform or the whatever they have there, they have been proven reliable. That is my main concern because I know that area, that blue area there, for all the years that I worked for the Coast and Geodesic Survey, and I know, I've lived in Barrow, I know how strong the currents are there.

I would be very much in favor of doing your exploring as much as you can east of Barrow and then if you are exhausted and have no place else to go, then, probably in five years or so, come back to us again.

Again, I will make my point that my main concern is that blue area, whatever you call it, --

MR. SCHINDLER: The western

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MR. PATKOTAK: -- the pink area

there, is actually the migration route of all the marine mammals that we have here, not just the whales. Beluga whale, walrus, especially walrus around that Point Belcher area, that's a migration route.

Supposing a big major oil spill, I hope it never will happen, but if it does, Barrow better know about this. They had better not say yes right away. They had better advise you people to defer because if there is any major oil spill ever happens in that area, all the villages east of Wainwright through Barrow, Kaktovik, Nuiqsut, will be affected because I know, since I worked for the Coast and Geodesic Survey, the main prevailing currents at this time of the year is going south and in the summer it switches back—east.

MR. BROCK: Thank you.

MR. PATKOTAK: Thank you for

listening to me.

MR. BROCK: Any other comments?

Go ahead, sir.

MR. ADAMS: My name is Johnny

Adams and I work for the North Slope Borough Public Utilities.

I'd like to say something about what we're talking about here, about some of the studies of the prevailing -- like Billy Patkotak said, the prevailing currents and the ice movement in the summertime. In the summertime, the ice goes in and out

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periodically, as far as I know, as living in Barrow for practically all my life and as a whaler at 14 years old and a crew member and a captain. We know that the currents move east and west and they move periodically.

One day you might be going this way and maybe the next week it's going the other way. And maybe next week it's coming that way toward you and that's when you pull out. You get out of there because that's the most dangerous current there is, that I know of, that they call Pysetna (ph).

From the stories that I read and some of the documents that I've read in the books and some of the testimonies back in 1936, out around by Cross Island or someplace around there, that ice was so bad it covered about two hundred feet way up to the tundra. And it was on the reoccurrence of that later, about twenty years ago, or what is was, some of the people here might now what date it was, --

MR. SCHINDLER: 1959.

MR. ADAMS: But this is some of my concern and also my other concern is about employment and job training for local people because it's sometimes hard to come by in certain times of the year and activities within this Borough.

Now, if there is oil development, will there be opportunities for employment? Will there be training for employment? Will there be necessary facilities for the public to compensate them for, you know, any compensation or anything to the

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government or to the State or to the North Slope Borough? I know you said the federal treasury.

Now, is part of that money going to go into the Borough and the impacted area? And further, that I know there will be another public hearing when they start transporting that oil to the pipeline or whatever, but these things take a lot of planning, as you all know, and there's a lot of input from the local expertise and the local people about how the land and the sea operates and how it affects everybody.

And I think that is the end of my testimony. Thank you.

MR. BROCK: Thank you. Any other

comments? Yes?

MS. AGNASAGGA: I'd like to make one last comment. I was reading this -- my objection to the Chukchi area and it comes to my mind that if the oil development ever comes, you know, occurs, I'd like to see the money in the North Slope villages because right now we're really -- everybody knows in the villages that the money is exhuausted and we have so much to do in our village yet. We've been trying for the roads here to be worked on.

We need a lot of things yet. I'd like to see that money come into the villages that are going to be impacted on. That's one thing I'd like to see.

Personally, I would like to say that the permanent fund dividend that we have every year, I think personally I should say

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that it should have been distributed to the North Slope Borough area only, but it has to be turned over to all Alaskans. That's how kind Inupiats are.

MR. BROCK: Thank you. Mayor, did

you put up your hand?

MAYOR KAGAK: Yes. I was going to ask, you say those blocks on that blue thing, that's all the blocks that's leased or just here or there?

MR. BROCK: If we're through with the testimony, why don't we go off the record and I'll try to answer any questions you have? Yes?

MS. SMITH: I'd like to make a statement. My name is Roberta Smith and I am employed with the North Slope Borough Planning Department. However, as Johnny says, I think as a member of the North Slope Borough and as a citizen, I have several questions and I'm sure they must be being addressed somewhere.

But when you take a village the size of Wainwright or Kaktovik, what kind of growth is going to happen in those communities once exploration has taken place and they find that it's feasible to drill for oil? When are these types of issues going to be addressed? What kind of search and rescue types of things are you going to have to do?

Certainly, you're going to have to have medivacs. You're going to have accidents, those types of things. When and how are

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these going to be addressed? 2 MR. BROCK: Again, I'd like to go 3 off the record and we'll answer any questions you have because the record is for you to testify and for your comments. We'll go off and I'll try to answer anything that we can. 6 MS. SMITH: Okay. 7 MR. BROCK: We'll take the 8 questions and they'll get into the record as a concern. Why don't we do it that way? 10 That's fine. MS. SMITH: 11 apologize for not... 12 MR. BROCK: That's fine. 13 MS. SMITH: I guess one of my big 14 concerns would be that it's really hard to watch small communities 15 transform and grow at a rapid rate and with potential oil 16 development you're facing that possibility in any of these 17 communities. 18 It would be my concern that these types of issues be 19 addressed and brought to the community as a part of your public 20 I quess that's the only part that I haven't heard 21 covered. 22 MR. BROCK: Any other comments for 23 If not, we'll close the hearing at 8:30. the record? 24 (OFF THE RECORD) 25

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END OF PROCEEDINGS *

CERTIFICATE

2 UNITED STATES OF AMERICA)

STATE OF ALASKA

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I, Angela K. Hecker, Court Reporter for Accu-Type Depositions, state of Alaska, hereby certify:

That the foregoing pages numbered 3 through 40 contain a full, true and correct transcript of proceedings in the mattter of the Draft Environmental Impact Statement for the Proposed Oil and Gas Lease Sale 97 in the Beaufort Sea as transcribed by me to the best of my knowledge and ability from reel to reel tape identified as follows:

Tape No. 881, Log Nos 1175-END.

DATED at Anchorage, Alaska, this 14th day of January,

SIGNED AND CERTIFIED TO BY:



